Bloomberg Nanos Canadian Confidence Index (BNCCI)

submitted by Nanos, June 15th, 2018 (Project 2013-284)



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Positive view on the future strength of the economy drops to low not seen since the fall of 2015 when price of oil dropped *(June 15th, 2018)*

The Bloomberg Nanos Canadian Confidence Index showed negative pressure.

The BNCCI, a composite of a weekly measure of financial health and economic expectations, registered at 57.05 compared with 58.00 four weeks ago. The twelve month high stands at 62.17.

The Bloomberg Nanos Pocketbook Index is based on survey responses to questions on personal finances and job security. This sub-indice was at 60.91 this week compared to 60.19 four weeks ago. The Bloomberg Nanos Expectations Index, based on surveys for the outlook for the economy and real estate prices, was at 53.20 this week (compared to 55.81 four weeks ago). The average for the BNCCI since 2008 has been 57.05 with a low of 43.28 in December 2008 and a high of 62.92 in December 2009. The index has averaged 58.09 this year.

"The proportion of Canadians who believe the Canadian economy will be weaker in the next six months was twice as high as those that think it will get stronger," said Nanos Research Group Chairman Nik Nanos. Positive forward sentiment has dropped four points in four weeks and has not been this low since September 2015 when the price of a barrel of oil hit a low."

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The BNCCI is a diffusion index comprised of the views of 1,000 Canadians. A score of 50 on the diffusion index indicates that positive and negative views are a wash while scores above or below 50 suggest net positive or net negative views in terms of the economic mood of Canadians. The data is based on perceptions related to personal finances, job security, economic strength, and real estate value.

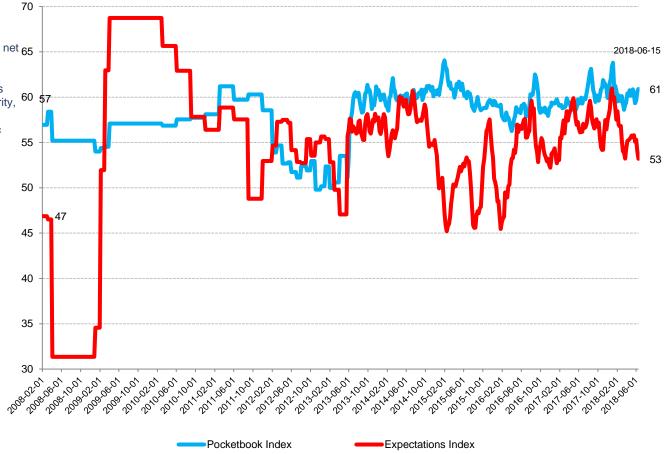


Bloomberg Nanos Canadian Confidence Index (Weekly Completed June 15th, 2018)

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Bloomberg Nanos Canadian Pocketbook and Expectations Indices (Weekly Completed June 15th, 2018)

The BNCCI Pocketbook and ExpectationsSub-Indices are comprised of the views of1,000 Canadians. A score of 50 on thediffusion index indicates that positive andnegative views are a wash while scoresabove or below 50 suggest net positive or netnegative views in terms of the economicmood of Canadians. The data for thePocketbook Index is based on perceptionsrelated to personal finances and job security,and the data for the Expectations Index isbased on perceptions related to economicstrength and real estate value.



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Bloomberg Nanos Canadian Consumer Confidence Index Data Summary for June 15th, 2018

	BNCCI	
This week	57.05	
Last week	57.32	
2018 high	61.91	Jan 5
2018 low	56.19	Mar 23
2018 average	58.09	
2008 average	49.21	Worst full year
2010 average	59.13	Best full year
Dec 31, 2008	43.28	Record low
Dec 31, 2009	62.92	Record high
Overall index average	57.05	

Individual Measures:

Positive ratings	This week	Last week	4 weeks ago	Average 2018	Average 2008-2018
Personal finances	19.37	19.80	18.79	19.31	18.42
Canadian economy	16.04	17.39	20.23	21.69	21.85
Job security	69.75	69.80	67.86	67.23	66.86
Real estate	41.75	41.29	42.02	41.03	37.75
Full Ratings	Better off	Worse off	No change	Don't know	
Personal finances	19.37	27.05	51.87	1.71	
	Stronger	Weaker	No change	Don't know	
Canadian Economy	16.04	33.79	42.20	7.97	
		Somewhat	Somewhat		
	Secure	secure	not secure	Not secure	Don't know
Job security	53.37	16.38	3.33	6.16	20.76
	Increase	Stay the same	Decrease	Don't know	

Real estate 41.75 43.80	11.19	3.26
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			This Week	Leat Week	4 Weeks		1 Year Ago		12 Month Low	12 Month
Bloomberg Nanos	Canada		This week	Last week	Ago	Ago	(June)	High	LOW	Average
0	Canada	Economic Mood	57.05	57.32	58.00	56.24	58.05	62.17	56.19	58.60
Canadian Consumer		Pocketbook Index	60.91	60.62	60.19	58.60	59.95	63.79	58.60	60.59
Confidence Index		Expectations Index	53.20	54.01	55.81	53.88	56.15	60.95	53.20	56.62
Data June 15 th , 2018										
Dutu june 15 , 2010	Economi	c Mood by Demographic								
	Region									
		Atlantic	50.93	51.86	54.35	54.45	58.13	62.17	50.93	56.51
		Quebec	59.84	60.15	62.41	61.37	60.78	65.52	58.05	61.61
		Ontario	57.98	57.96	56.79	56.49	57.65	61.86	54.97	58.23
		Prairies	53.15	50.50	52.17	48.24	51.54	59.01	48.24	53.32
		British Columbia	59.85	63.98	63.25	59.05	62.88	66.84	57.83	62.77
	Age	18 to 29	64.83	63.32	63.77	58.92	61.32	68.92	57.92	62.74
	5	30 to 39	57.66	58.00	60.82	55.65	59.78	62.83	55.65	60.22
		40 to 49	55.77	56.67	56.02	56.54	58.21	61.12	55.02	58.01
		50 to 59	53.81	53.40	55.08	54.40	56.29	60.29	53.40	56.49
		60 plus	54.13	55.69	55.47	55.70	55.70	60.69	53.59	56.48
	Income									
	meenie	\$0 to \$14,999	54.51	54.07	50.24	54.45	50.01	60.24	47.89	53.30
		\$15,000 to \$29,999	53.04	53.89	57.71	55.52	57.73	59.25	48.12	54.72
		\$30,000 to \$44,999	54.68	54.88	56.60	54.22	57.28	65.53	52.97	57.61
		\$45,000 to \$59,999	58.83	57.79	54.13	56.89	58.63	65.36	53.49	58.47
		\$60,000 to \$74,999	58.10	57.78	56.69	56.48	58.53	64.88	53.01	59.31
		\$75,000 or more	58.03	58.72	60.75	58.42	59.93	64.32	57.21	61.03
	Home									
		Own	55.71	56.01	56.94	55.69	57.94	61.49	55.45	58.12
		Rent	59.23	59.43	59.31	58.21	57.71	64.37	56.10	59.65

About the Bloomberg Nanos Canadian Confidence Index

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The Bloomberg Nanos Canadian Confidence Index (BNCCI) is a weekly measurement of the economic mood of Canadians on the strength of the economy, job security, real estate in their neighbourhood, and their personal financial situation. It is a composite of those variables and has two sub indices: a Bloomberg Nanos Expectations Sub-index on forward views; and, Bloomberg Nanos Pocketbook Index on their personal economic situation. The longitudinal data on the index begins in 2008 and is a significant data source for decision-makers.

For more information, visit <u>www.bloomberg.com/news/canada</u> or <u>www.nanosresearch.com</u>

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Methodology

Methodology

The BNCCI is produced by the Nanos Research Corporation, headquartered in Canada, which operates in Canada and the United States. The data is based on random telephone interviews with 1,000 Canadian consumers (land- and cell-lines), using a four week rolling average of 250 respondents each week, 18 years of age and over. The random sample of 1,000 respondents may be weighted using the latest census information for Canada. The interviews are compiled into a four week rolling average of 1,000 interviews where each week, the oldest group of 250 interviews is dropped and a new group of 250 interviews is added. The views of 1,000 respondents are compiled into a diffusion index from 0 to 100. A score of 50 on the diffusion index indicates that positive and negative views are a wash while scores above 50 suggest net positive views, while those below 50 suggest net negative views in terms of the economic mood of Canadians.

A random telephone survey of 1,000 consumers in Canada is accurate 3.1 percentage points, plus or minus, 19 times out of 20. This report is based on the four waves of tracking ending June 15th, 2018.

The following questions are used for the index calculations:

- Thinking of your personal finances, are you better off, worse off, or has there been no change over the past year? (Overall Confidence Index and Pocketbook Sub-Index)
- Would you describe your job, at this time, as secure, somewhat secure, somewhat not secure, or not at all secure? (Overall Confidence Index and Pocketbook Sub-Index)
- In the next six months, do you think the Canadian economy will become stronger, weaker, or will there be no change? (Overall Confidence Index and Expectations Sub-Index)
- In the next six months, do you believe that the value of real estate in your neighbourhood will increase, stay the same or decrease? (Overall Confidence Index and Expectations Sub-Index)

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About Nanos

Nanos is one of North America's most trusted research and strategy organizations. Our team of professionals is regularly called upon by senior executives to deliver superior intelligence and market advantage whether it be helping to chart a path forward, managing a reputation or brand risk or understanding the trends that drive success. Services range from traditional telephone surveys, through to elite in-depth interviews, online research and focus groups. Nanos clients range from Fortune 500 companies through to leading advocacy groups interested in understanding and shaping the public landscape. Whether it is understanding your brand or reputation, customer needs and satisfaction, engaging employees or testing new ads or products, Nanos provides insight you can trust.



Technical Note

Element	Description	Element	Description
Organization who commissioned the research	Nanos Research	Weighting of Data	The results were weighted by age and gender using the latest Census information (2014) and the sample is geographically stratified to ensure a distribution across all regions of Canada. See tables for full weighting disclosure
Final Sample Size	1,000 Randomly selected individuals, four week rolling average of 250 interviews a week.		Screening ensured potential respondents did not work in
Margin of Error	±3.1 percentage points, 19 times out of 20.	Screening	the market research industry, in the advertising industry, in the media or a political party prior to administering the survey to ensure the integrity of the data.
Mode of Survey	RDD dual frame (land- and cell-lines) telephone survey	Excluded Demographics	Individuals younger than 18 years old; individuals without land or cell line could not participate.
Sampling Method Base	The sample included both land- and cell-lines RDD (Random Digit Dialed) across Canada.	Stratification	By age and gender using the latest Census information (2011) and the sample is geographically stratified to be representative of Canada. Smaller areas such as Atlantic Canada were marginally oversampled to allow for a minimum regional sample.
Demographics (Captured)	Atlantic Canada, Quebec, Ontario, Prairies, British Columbia; Men and Women; 18 years and older. Six digit postal code was used to validate	Estimated Response Rate	Nine percent, consistent with industry norms.
Demographics (Other)	geography. Age, gender, education, income	Question Order	Question order in the preceding report reflects the order in which they appeared in the original questionnaire (party options were randomized in their introduction)
Fieldwork/Validation	Live interviews with live supervision to validate work as per the MRIA Code of Conduct	Question Content	This was module two of an omnibus survey. Respondents were asked for their opinions the state of their personal finances, the Canadian economy, their perception of their
Number of Calls/	Maximum of five call backs.		job security and 6 month views of real estate in their neighbourhood.
Time of Calls	Local time 5:00-9:00 pm, on weekends 12:00- 6:00 pm	Question Wording	The questions in the appended tabulations are written exactly as they were asked to individuals.
Field Dates	Four week period June 15th, 2018	Survey Company	Nanos Research
Language of Survey	The survey was conducted in both English and French.	Contact	Contact Nanos Research for more information or with any concerns or questions. <u>http://www.nanosresearch.com</u> Telephone:(613) 234-4666 ext. 237 – Toll Free: (888)
Standards	This report meets the standards set forth by the MRIA which can be found here: https://mria-arim.ca/polling		737-5505 ext. 223. Email: info@nanosresearch.com.